MINOR SOURCE OPERATING PERMIT
OFFICE OF AIR QUALITY

Nickell Enterprises
29183 Lexington Park Drive
Elkhart, Indiana 46514

(herein known as the Permittee) is hereby authorized to operate subject to the conditions contained herein, the emission units described in Section A (Source Summary) of this permit.

This permit is issued to the above mentioned company under the provisions of 326 IAC 2-1.1, 326 IAC 2-6.1 and 40 CFR 52.780, with conditions listed on the attached pages.

Operation Permit No.: MSOP 039-12736-00169	
Issued by: Paul Dubenetzky, Branch Chief Office of Air Quality	Issuance Date:

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SECTION A SOURCE SUMMARY

This permit is based on information requested by the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ). The information describing the source contained in Conditions A.1 and A.2 is descriptive information and does not constitute enforceable conditions. However, the Permittee should be aware that a physical change or a change in the method of operation that may render this descriptive information obsolete or inaccurate may trigger requirements for the Permittee to obtain additional permits or seek modification of this permit pursuant to 326 IAC 2, or change other applicable requirements presented in the permit application.

A.1 General Information [326 IAC 2-5.1-3(c)] [326 IAC 2-6.1-4(a)]

The Permittee owns and operates a stationary wood products manufacturing source.

Authorized individual:	David Lung
Source Address:	29183 Lexington Park Drive, Elkhart, Indiana 46514
Mailing Address:	29183 Lexington Park Drive, Elkhart, Indiana 46514
Phone Number:	219 293-4428
SIC Code:	2499
County Location:	Elkhart
County Status:	Attainment for all criteria pollutants
Source Status:	Minor Source Operating Permit Minor Source, under PSD Minor Source, Section 112 of the Clean Air Act

A.2 Emissions Units and Pollution Control Equipment Summary

This stationary source is approved to operate the following emissions units and pollution control devices:

(a) One (1) panel coating line consisting of three (3) roll coaters, known as Panel Coating Line, exhausted to EU01.01 and EU01.03, installed in January 1992, capacity: 3,424 square feet per hour, each.

(b) One (1) molding line, known as Molding Line A, vented to the atmosphere, installed in January 1992, capacity: 214 square feet per hour.

(c) One (1) molding line, known as Molding Line B, vented to the atmosphere, installed in January 1992, capacity: 214 square feet per hour.

(d) One (1) molding line, known as Molding Line C, vented to the atmosphere, installed in January 1992, capacity: 1,920 square feet per hour.

(e) One (1) woodworking operation, consisting of various woodworking tools, equipped with a baghouse, known as Bag-01, installed in January 1992, capacity: 625 pounds of wood per hour.

(f) Nine (9) natural gas-fired radiant heaters, known as H1- H9, rated at 0.125 million British thermal units per hour, each.

(g) Two (2) natural gas-fired overhead blowing heaters, known as H10 and H11, rated at 0.3 million British thermal units per hour, each.

(h) One (1) natural gas fired furnace, known as H12, rated at 0.060 million British thermal units per hour.

SECTION B GENERAL CONDITIONS

THIS SECTION OF THE PERMIT IS BEING ISSUED UNDER THE PROVISIONS OF 326 IAC 2-1.1 AND 40 CFR 52.780, WITH CONDITIONS LISTED BELOW.

B.1 Permit No Defense [IC 13]

This permit to operate does not relieve the Permittee of the responsibility to comply with the provisions of the Indiana Environmental Management Law (IC 13-11 through 13-20; 13-22 through 13-25; and 13-30), the Air Pollution Control Law (IC 13-17) and the rules promulgated thereunder, as well as other applicable local, state, and federal requirements.

B.2 Definitions

Terms in this permit shall have the definition assigned to such terms in the referenced regulation. In the absence of definitions in the referenced regulation, any applicable definitions found in IC 13-11, 326 IAC 1-2, and 326 IAC 2-1.1-1 shall prevail.

B.3 Effective Date of the Permit [IC13-15-5-3]

Pursuant to IC 13-15-5-3, this permit becomes effective upon its issuance.

B.4 Modification to Permit [326 IAC 2]

All requirements and conditions of this operating permit shall remain in effect unless modified in a manner consistent with procedures established for modifications of operating permits pursuant to 326 IAC 2 (Permit Review Rules).

SECTION C SOURCE OPERATION CONDITIONS

Entire Source

C.1 PSD Minor Source Status [326 IAC 2-2] [40 CFR 52.21] [326 IAC 2-7]

(a) The total source potential to emit of all criteria pollutants is less than two hundred fifty (250) tons per year. Therefore the requirements of 326 IAC 2-2 (Prevention of Significant Deterioration) and 40 CFR 52.21 will not apply.

(b) Any change or modification which may increase potential to emit PM_{10}, SO_2, VOC, NO_X or CO to 100 tons per year from this source, shall cause this source to be considered a major source under 326 IAC 2-7, and shall require approval from IDEM, OAQ prior to making the change.

C.2 Hazardous Air Pollutants (HAPs) [326 IAC 2-7]

Any change or modification which may increase potential to emit to ten (10) tons per year of any single hazardous air pollutant, twenty-five (25) tons per year of any combination of hazardous air pollutants from this source, shall cause this source to be considered a major source under Part 70 Permit Program, 326 IAC 2-7, and shall require approval from IDEM, OAQ prior to making the change.

C.3 Preventive Maintenance Plan [326 IAC 1-6-3]

(a) If required by specific condition(s) in Section D of this permit, the Permittee shall prepare and maintain Preventive Maintenance Plans (PMP) after issuance of this permit, including the following information on each emissions unit:

(1) Identification of the individual(s) responsible for inspecting, maintaining, and repairing emission control devices;

(2) A description of the items or conditions that will be inspected and the inspection schedule for said items or conditions;

(3) Identification and quantification of the replacement parts that will be maintained in inventory for quick replacement.

(b) The Permittee shall implement the Preventive Maintenance Plans as necessary to ensure that failure to implement the Preventive Maintenance Plan does not cause or contribute to a violation of any limitation on emissions or potential to emit.

(c) PMP's shall be submitted to IDEM, OAQ, upon request and shall be subject to review and approval by IDEM, OAQ. IDEM, OAQ, may require the Permittee to revise its Preventive Maintenance Plan whenever lack of proper maintenance causes or contributes to any violation.

C.4 Permit Revision [326 IAC 2-5.1-3(e)(3)] [326 IAC 2-6.1-6]

(a) The Permittee must comply with the requirements of 326 IAC 2-6.1-6 whenever the Permittee seeks to amend or modify this permit.

(b) Any application requesting an amendment or modification of this permit shall be submitted to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015

Any such application should be certified by the "authorized individual" as defined by 326 IAC 2-1.1-1.

(c) The Permittee shall notify the OAQ within thirty (30) calendar days of implementing a notice-only change. [326 IAC 2-6.1-6(d)]

C.5 Inspection and Entry [326 IAC 2-5.1-3(e)(4)(B)] [326 IAC 2-6.1-5(a)(4)]

Upon presentation of proper identification cards, credentials, and other documents as may be required by law, and subject to the Permittee's right under all applicable laws and regulations to assert that the information collected by the agency is confidential and entitled to be treated as such, the Permittee shall allow IDEM, OAQ, U.S. EPA, or an authorized representative to perform the following:

(a) Enter upon the Permittee's premises where a source is located, or emissions related activity is conducted, or where records must be kept under the conditions of this permit;

(b) Have access to and copy, at reasonable times, any records that must be kept under the conditions of this permit;

(c) Inspect, at reasonable times, any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under this permit;

(d) Sample or monitor, at reasonable times, substances or parameters for the purpose of assuring compliance with this permit or applicable requirements; and

(e) Utilize any photographic, recording, testing, monitoring, or other equipment for the purpose of assuring compliance with this permit or applicable requirements.

C.6 Transfer of Ownership or Operation [326 IAC 2-6.1-6(d)(3)]

Pursuant to [326 IAC 2-6.1-6(d)(3)]:

(a) In the event that ownership of this source is changed, the Permittee shall notify IDEM, OAQ, Permits Branch, within thirty (30) days of the change.

(b) The written notification shall be sufficient to transfer the permit to the new owner by a notice-only change pursuant to 326 IAC 2-6.1-6(d)(3).

(c) IDEM, OAQ, shall issue a revised permit.

The notification which shall be submitted by the Permittee does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1.

C.7 Permit Revocation [326 IAC 2-1-9]

Pursuant to 326 IAC 2-1-9(a)(Revocation of Permits), this permit to operate may be revoked for any of the following causes:

(a) Violation of any conditions of this permit.

(b) Failure to disclose all the relevant facts, or misrepresentation in obtaining this permit.

(c) Changes in regulatory requirements that mandate either a temporary or permanent reduction of discharge of contaminants. However, the amendment of appropriate sections of this permit shall not require revocation of this permit.

(d) Noncompliance with orders issued pursuant to 326 IAC 1-5 (Episode Alert Levels) to reduce emissions during an air pollution episode.

(e) For any cause which establishes in the judgment of IDEM, the fact that continuance of this permit is not consistent with purposes of this article.

C.8 Opacity [326 IAC 5-1]

Pursuant to 326 IAC 5-1-2 (Opacity Limitations), except as provided in 326 IAC 5-1-3 (Temporary alternative opacity limitations), opacity shall meet the following, unless otherwise stated in this permit:

(a) Opacity shall not exceed an average of forty percent (40%) in any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.

(b) Opacity shall not exceed sixty percent (60%) for more than a cumulative total of fifteen (15) minutes (sixty (60) readings) as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute nonoverlapping integrated averages for a continuous opacity monitor in a six (6) hour period.

C.9 Fugitive Dust Emissions [326 IAC 6-4]

The Permittee shall not allow fugitive dust to escape beyond the property line or boundaries of the property, right-of-way, or easement on which the source is located, in a manner that would violate 326 IAC 6-4 (Fugitive Dust Emissions). 326 IAC 6-4-2(4) is not federally enforceable.

C.10 Stack Height [326 IAC 1-7]

The Permittee shall comply with the applicable provisions of 326 IAC 1-7 (Stack Height Provisions), for all exhaust stacks through which a potential (before controls) of twenty-five (25) tons per year or more of particulate matter or sulfur dioxide is emitted by using good engineering practices (GEP) pursuant to 326 IAC 1-7-3.

Testing Requirements

C.11 Performance Testing [326 IAC 3-6] [326 IAC 2-1.1-11]

(a) Compliance testing on new emissions units shall be conducted within sixty (60) days after achieving maximum production rate, but no later than one hundred eighty (180) days after initial start-up, if specified in Section D of this approval. All testing shall be performed according to the provisions of 326 IAC 3-6 (Source Sampling Procedures), except as provided elsewhere in this permit, utilizing any applicable procedures and analysis methods specified in 40 CFR 51, 40 CFR 60, 40 CFR 61, 40 CFR 63, 40 CFR 75, or other procedures approved by IDEM, OAQ.

A test protocol, except as provided elsewhere in this permit, shall be submitted to:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue, P. O. Box 6015

Indianapolis, Indiana 46206-6015

no later than thirty-five (35) days prior to the intended test date. The Permittee shall submit a notice of the actual test date to the above address so that it is received at least two weeks prior to the test date.

(b) All test reports must be received by IDEM, OAQ, within forty-five (45) days after the completion of the testing. An extension may be granted by the IDEM, OAQ, if the source submits to IDEM, OAQ, a reasonable written explanation within five (5) days prior to the end of the initial forty-five (45) day period.

The documentation submitted by the Permittee does not require certification by the "authorized individual" as defined by 326 IAC 2-1.1-1.

Compliance Monitoring Requirements

C.12 Compliance Monitoring [326 IAC 2-1.1-11]

Compliance with applicable requirements shall be documented as required by this permit. The Permittee shall be responsible for installing any necessary equipment and initiating any required monitoring related to that equipment. All monitoring and record keeping requirements not already legally required shall be implemented when operation begins.

C.13 Maintenance of Monitoring Equipment [IC 13-14-1-13]

(a) In the event that a breakdown of the monitoring equipment occurs, a record shall be made of the times and reasons of the breakdown and efforts made to correct the problem. To the extent practicable, supplemental or intermittent monitoring of the parameter should be implemented at intervals no less frequent than required in Section D of this permit until such time as the monitoring equipment is back in operation. In the case of continuous monitoring, supplemental or intermittent monitoring of the parameter should be implemented at intervals no less than one (1) hour this time frame is determined on a case by case basis until such time as the continuous monitor is back in operation.

(b) The Permittee shall install, calibrate, quality assure, maintain, and operate all necessary monitors and related equipment. In addition, prompt corrective action shall be initiated whenever indicated.

C.14 Monitoring Methods [326 IAC 3]

Any monitoring or testing required by Section D of this permit shall be performed according to the provisions of 326 IAC 3, 40 CFR 60, Appendix A, or other approved methods as specified in this permit.

C.15 Compliance Monitoring Plan - Failure to Take Response Steps [326 IAC 1-6]

(a) The Permittee is required to implement a compliance monitoring plan to ensure that reasonable information is available to evaluate its continuous compliance with applicable requirements. This compliance monitoring plan is comprised of:

(1) This condition;

(2) The Compliance Determination Requirements in Section D of this permit;

(3) The Compliance Monitoring Requirements in Section D of this permit;

(4) The Record Keeping and Reporting Requirements in Section C (Monitoring Data Availability, General Record Keeping Requirements, and General Reporting

Requirements) and in Section D of this permit; and

(5) A Compliance Response Plan (CRP) for each compliance monitoring condition of this permit. CRP's shall be submitted to IDEM, OAQ upon request and shall be subject to review and approval by IDEM, OAQ. The CRP shall be prepared within ninety (90) days after issuance of this permit by the Permittee and maintained on site, and is comprised of:

(A) Response steps that will be implemented in the event that compliance related information indicates that a response step is needed pursuant to the requirements of Section D of this permit; and

(B) A time schedule for taking such response steps including a schedule for devising additional response steps for situations that may not have been predicted.

(b) For each compliance monitoring condition of this permit, appropriate response steps shall be taken when indicated by the provisions of that compliance monitoring condition. Failure to perform the actions detailed in the compliance monitoring conditions or failure to take the response steps within the time prescribed in the Compliance Response Plan, shall constitute a violation of the permit unless taking the response steps set forth in the Compliance Response Plan would be unreasonable.

(c) After investigating the reason for the excursion, the Permittee is excused from taking further response steps for any of the following reasons:

(1) The monitoring equipment malfunctioned, giving a false reading. This shall be an excuse from taking further response steps providing that prompt action was taken to correct the monitoring equipment.

(2) The Permittee has determined that the compliance monitoring parameters established in the permit conditions are technically inappropriate, has previously submitted a request for an administrative amendment to the permit, and such request has not been denied; or

(3) An automatic measurement was taken when the process was not operating; or

(4) The process has already returned to operating within "normal" parameters and no response steps are required.

(d) Records shall be kept of all instances in which the compliance related information was not met and of all response steps taken.

C.16 Actions Related to Noncompliance Demonstrated by a Stack Test

(a) When the results of a stack test performed in conformance with Section C - Performance Testing, of this permit exceed the level specified in any condition of this permit, the Permittee shall take appropriate corrective actions. The Permittee shall submit a description of these corrective actions to IDEM, OAQ, within thirty (30) days of receipt of the test results. The Permittee shall take appropriate action to minimize emissions from the affected emissions unit while the corrective actions are being implemented. IDEM, OAQ shall notify the Permittee within thirty (30) days, if the corrective actions taken are deficient. The Permittee shall submit

a description of additional corrective actions taken to IDEM, OAQ within thirty (30) days of receipt of the notice of deficiency. IDEM, OAQ reserves the authority to use enforcement activities to resolve noncompliant stack tests.

(b) A retest to demonstrate compliance shall be performed within one hundred twenty (120) days of receipt of the original test results. Should the Permittee demonstrate to IDEM, OAQ that retesting in one-hundred and twenty (120) days is not practicable, IDEM, OAQ may extend the retesting deadline. Failure of the second test to demonstrate compliance with the appropriate permit conditions may be grounds for immediate revocation of the permit to operate the affected emissions unit.

The documents submitted pursuant to this condition do not require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1.

Record Keeping and Reporting Requirements

C.17 Malfunctions Report [326 IAC 1-6-2]

Pursuant to 326 IAC 1-6-2 (Records; Notice of Malfunction):

(a) A record of all malfunctions, including startups or shutdowns of any facility or emission control equipment, which result in violations of applicable air pollution control regulations or applicable emission limitations shall be kept and retained for a period of three (3) years and shall be made available to the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) or appointed representative upon request.

(b) When a malfunction of any facility or emission control equipment occurs which lasts more than one (1) hour, said condition shall be reported to OAQ, using the Malfunction Report Forms (2 pages). Notification shall be made by telephone or facsimile, as soon as practicable, but in no event later than four (4) daytime business hours after the beginning of said occurrence.

(c) Failure to report a malfunction of any emission control equipment shall constitute a violation of 326 IAC 1-6, and any other applicable rules. Information of the scope and expected duration of the malfunction shall be provided, including the items specified in 326 IAC 1-6-2(a) (1) through (6).

(d) Malfunction is defined as any sudden, unavoidable failure of any air pollution control equipment, process, or combustion or process equipment to operate in a normal and usual manner. [326 IAC 1-2-39]

C.18 Monitoring Data Availability [326 IAC 2-6.1-2] [IC 13-14-1-13]

(a) With the exception of performance tests conducted in accordance with Section C- Performance Testing, all observations, sampling, maintenance procedures, and record keeping, required as a condition of this permit shall be performed at all times the equipment is operating at normal representative conditions.

(b) As an alternative to the observations, sampling, maintenance procedures, and record keeping of subsection (a) above, when the equipment listed in Section D of this permit is not operating, the Permittee shall either record the fact that the equipment is shut down or perform the observations, sampling, maintenance procedures, and record keeping that would otherwise be required by this permit.

(c) If the equipment is operating but abnormal conditions prevail, additional observations and sampling should be taken with a record made of the nature of the abnormality.

(d) If for reasons beyond its control, the operator fails to make required observations, sampling, maintenance procedures, or record keeping, reasons for this must be recorded.

(e) At its discretion, IDEM may excuse such failure providing adequate justification is documented and such failures do not exceed five percent (5%) of the operating time in any quarter.

(f) Temporary, unscheduled unavailability of staff qualified to perform the required observations, sampling, maintenance procedures, or record keeping shall be considered a valid reason for failure to perform the requirements stated in (a) above.

C.19 General Record Keeping Requirements [326 IAC 2-6.1-2]

(a) Records of all required monitoring data and support information shall be retained for a period of at least five (5) years from the date of monitoring sample, measurement, report, or application. These records shall be kept at the source location for a minimum of three (3) years and available upon the request of an IDEM, OAQ, representative. The records may be stored elsewhere for the remaining two (2) years as long as they are available upon request. If the Commissioner makes a written request for records to the Permittee, the Permittee shall furnish the records to the Commissioner within a reasonable time.

(b) Records of required monitoring information shall include, where applicable:

(1) The date, place, and time of sampling or measurements;

(2) The dates analyses were performed;

(3) The company or entity performing the analyses;

(4) The analytic techniques or methods used;

(5) The results of such analyses; and

(6) The operating conditions existing at the time of sampling or measurement.

(c) Support information shall include, where applicable:

(1) Copies of all reports required by this permit;

(2) All original strip chart recordings for continuous monitoring instrumentation;

(3) All calibration and maintenance records;

(4) Records of preventive maintenance shall be sufficient to demonstrate that failure to implement the Preventive Maintenance Plan did not cause or contribute to a violation of any limitation on emissions or potential to emit. To be relied upon subsequent to any such violation, these records may include, but are not limited to: work orders, parts inventories, and operator's standard operating procedures. Records of response steps taken shall indicate whether the response steps were performed in accordance with the Compliance Response Plan required by Section C - Compliance Monitoring

Plan - Failure to take Response Steps, of this permit, and whether a deviation from a permit condition was reported. All records shall briefly describe what maintenance and response steps were taken and indicate who performed the tasks.

(d) All record keeping requirements not already legally required shall be implemented when operation begins.

C.20 General Reporting Requirements [326 IAC 2-1.1-11] [326 IAC 2-6.1-2] [IC 13-14-1-13]

(a) The reports required by conditions in Section D of this permit shall be submitted to:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue, P. O. Box 6015
Indianapolis, Indiana 46206-6015

(b) Unless otherwise specified in this permit, any notice, report, or other submission required by this permit shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ, on or before the date it is due.

(c) Unless otherwise specified in this permit, any quarterlyl report shall be submitted within thirty (30) days of the end of the reporting period. The report does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

(d) All instances of deviations must be clearly identified in such reports. A reportable deviation is an exceedance of a permit limitation or a failure to comply with a requirement of the permit or a rule. It does not include:

(1) An excursion from compliance monitoring parameters as identified in Section D of this permit unless tied to an applicable rule or limit; or

(2) A malfunction as described in 326 IAC 1-6-2; or

(3) Failure to implement elements of the Preventive Maintenance Plan unless lack of maintenance has caused or contributed to a deviation.

(4) Failure to make or record information required by the compliance monitoring provisions of Section D unless such failure exceeds 5% of the required data in any calendar quarter.

A Permittee's failure to take the appropriate response step when an excursion of a compliance monitoring parameter has occurred or failure to monitor or record the required compliance monitoring is a deviation.

(e) The first report shall cover the period commencing on the date of issuance of this permit and ending on the last day of the reporting period.

C.21 Annual Notification [326 IAC 2-6.1-5(a)(5)]

(a) Annual notification shall be submitted to the Office of Air Quality stating whether or not the source is in operation and in compliance with the terms and conditions contained in this

permit.

(b) Noncompliance with any condition must be specifically identified. If there are any permit conditions or requirements for which the source is not in compliance at any time during the year, the Permittee must provide a narrative description of how the source did or will achieve compliance and the date compliance was, or will be, achieved. The notification must be signed by an authorized individual.

(c) The annual notice shall cover the time period from January 1 to December 31 of the previous year, and shall be submitted in the format attached no later than March 1 of each year to:

Compliance Data Section, Office of Air Quality
Indiana Department of Environmental Management
100 North Senate Avenue, P.O. Box 6015
Indianapolis, IN 46206-6015

(d) The notification shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ, on or before the date it is due.

SECTION D.1 EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

(a) One (1) panel coating line consisting of three (3) roll coaters, known as Panel Coating Line, exhausted to EU01.01 and EU01.03, installed in January 1992, capacity: 3,424 square feet per hour, each.

(b) One (1) molding line, known as Molding Line A, vented to the atmosphere, installed in January 1992, capacity: 214 square feet per hour.

(c) One (1) molding line, known as Molding Line B, vented to the atmosphere, installed in January 1992, capacity: 214 square feet per hour.

(d) One (1) molding line, known as Molding Line C, vented to the atmosphere, installed in January 1992, capacity: 1,920 square feet per hour.

(The information describing the process contained in this emissions unit description box is descriptive information and does not constitute enforceable conditions.)

Emission Limitation and Standards [326 IAC 2-7-5(1)]

D.1.1 Volatile Organic Compounds (VOC) [326 IAC 8-2-10][326 IAC 8-2-12]

(a) Pursuant to 326 IAC 8-2-10 (Flat Wood Panels; Manufacturing Operations), the amount of VOC applied to the Panel Coating Line shall not exceed six (6) pounds per 1,000 square feet of panel, regardless of the number of coatings.

(b) 326 IAC 8-2-12 (Wood Furniture and Cabinet Coating) does not apply to Molding Lines A, B and C, because they potential to emit VOC is less than 15.0 pounds per day from each line. Any change or modification that increases the potential to emit VOC from Molding Lines A, B or C to 15.0 pounds per day or greater shall require prior approval from IDEM/OAQ.

(c) Any change or modification that increases the potential to emit VOC from the surface coating operations to 100 tons per year or greater shall require prior approval from IDEM/OAQ.

D.1.2 Non Applicability of Previous Permit Condition

(a) Condition 8 of CP 039-2755-00169, issued on July 15, 1993, stated that VOC emissions were limited to 8.0 tons per month (96.0 tons per year) to make the Emission Offset rules 326 IAC 2-3 not applicable. This condition has not been carried through to this approval because the potential to emit VOC from this source is now only 7.33 tons per year and Elkhart County is currently designated as attainment for ozone.

(b) Any change or modification that increases the potential to emit VOC from the surface coating operations to 100 tons per year or greater shall require prior approval from IDEM/OAQ.

D.1.3 Particulate Matter (PM) [326 IAC 6-3-2(c)]

The PM from the Panel Coating Line and Molding Lines A - C shall not exceed the pound per hour emission rate established as E in the following formula:

Interpolation and extrapolation of the data for the process weight rate up to sixty thousand (60,000)

pounds per hour shall be accomplished by use of the equation:

$E = 4.10\ P^{0.67}$ where E = rate of emission in pounds per hour; and
P = process weight rate in tons per hour.

D.1.4 Preventive Maintenance Plan [326 IAC 1-6-3]

A Preventive Maintenance Plan, in accordance with Section C - Preventive Maintenance Plan, of this permit, is required for these emission units and any control devices.

Compliance Determination Requirements [326 IAC 2-1.1-11]

D.1.5 Volatile Organic Compounds (VOC)

Compliance with the VOC limitation contained in Condition D.1.1 shall be determined pursuant to 326 IAC 8-1-4(a)(3) and 326 IAC 8-1-2(a) using formulation data supplied by the coating manufacturer. IDEM, OAQ, reserves the authority to determine compliance using Method 24 in conjunction with the analytical procedures specified in 326 IAC 8-1-4.

Record Keeping and Reporting Requirements [326 IAC 2-5.1-3(e)(2)] [326 IAC 2-6.1-5(a)(2)]

D.1.6 Record Keeping Requirements

(a) To document compliance with Conditions D.1.1(a) and D.1.1(b), the Permittee shall maintain records in accordance with (1) through (3) below. Records maintained for (1) through (3) shall be taken monthly and shall be complete and sufficient to establish compliance with the VOC usage limits and/or the VOC emission limit established in Condition D.1.1.

(1) The amount and VOC content of each coating material and solvent used. Records shall include purchase orders, invoices, and material safety data sheets (MSDS) necessary to verify the type and amount used. Solvent usage records shall differentiate between those added to coatings and those used as cleanup solvents;

(2) A log of the dates of use; and

(3) The area of panel coated by the one (1) Panel Coating Line.

(b) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

SECTION D.2 EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description: A woodworking shop equipped with one (1) baghouse for particulate control.

(e) One (1) woodworking operation, consisting of various woodworking tools, equipped with a baghouse, known as Bag-01, installed in January 1992, capacity: 625 pounds of wood per hour.

(The information describing the process contained in this emissions unit description box is descriptive information and does not constitute enforceable conditions.)

Emission Limitations and Standards [326 IAC 2-6.1-5(1)]

D.2.1 Particulate Matter (PM) [326 IAC 6-3-2]

Pursuant to 326 IAC 6-3 (Process Operations), the allowable PM emission rate from the woodworking facilities shall not exceed 1.88 pounds per hour when operating at a process weight rate of 625 pounds per hour.

The pounds per hour limitation was calculated with the following equation:

Interpolation and extrapolation of the data for the process weight rate up to 60,000 pounds per hour shall be accomplished by use of the equation:

$E = 4.10\ P^{0.67}$ where E = rate of emission in pounds per hour; and
P = process weight rate in tons per hour.

D.2.2 Particulate Matter (PM_{10})

(a) The potential to emit PM_{10} from the woodworking operation before controls shall be less than one hundred (100) tons per year. This will insure that the potential to emit PM_{10} from the entire source remains less than 100 tons per year.

(b) Any change or modification that increases the potential to emit PM_{10} from the woodworking operations before controls to one hundred (100) tons per year or greater shall require prior approval from IDEM/OAQ and will subject the source to the requirements of 326 IAC 2-7.

D.2.3 Preventive Maintenance Plan [326 IAC 1-6-3]

A Preventive Maintenance Plan, in accordance with Section C - Preventive Maintenance Plan, of this permit, is required for this emissions unit and its control device.

Compliance Determination Requirements [326 IAC 2-1.1-11]

D.2.4 Particulate Matter (PM)

The baghouse for PM control shall be in operation at all times when the woodworking operations are in operation.

Compliance Monitoring Requirements [326 IAC 2-5.1-3(e)(2)] [326 IAC 2-6.1-5(a)(2)]

D.2.5 Visible Emissions Notations

(a) Daily visible emission notations of the woodworking operation stack exhaust shall be performed during normal daylight operations when exhausting to the atmosphere. A trained

employee shall record whether emissions are normal or abnormal.

(b) For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation, not counting startup or shut down time.

(c) In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.

(d) A trained employee is an employee who has worked at the plant at least one (1) month and has been trained in the appearance and characteristics of normal visible emissions for that specific process.

(e) The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when an abnormal emission is observed.

D.2.6 Parametric Monitoring

The Permittee shall record the total static pressure drop across the Bag-01 used in conjunction with the woodworking operation, at least once weekly when the woodworking operation is in operation when venting to the atmosphere. Unless operated under conditions for which the Compliance Response Plan specifies otherwise, the pressure drop across Bag-01 shall be maintained within the range of 2.0 and 4.5 inches of water or a range established during the latest stack test. The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when the pressure reading is outside of the above mentioned range for any one reading. Failure to take response steps in accordance with Section C - Compliance Monitoring Plan - Failure to Take Response Steps, shall be considered a violation of this permit.

The instrument used for determining the pressure shall comply with Section C - Pressure Gauge and Other Instrument Specifications, of this permit, shall be subject to approval by IDEM, OAQ, and shall be calibrated at least once every six (6) months.

D.2.7 Broken or Failed Bag Detection

In the event that bag failure has been observed:

(a) For multi-compartment units, the affected compartments will be shut down immediately until the failed units have been repaired or replaced. Operations may continue only if there are no visible emissions or if the event qualifies as an emergency and the Permittee satisfies the emergency provisions of this permit (Section B- Emergency Provisions). Within eight (8) business hours of the determination of failure, response steps according to the timetable described in the Compliance Response Plan shall be initiated. For any failure with corresponding response steps and timetable not described in the Compliance Response Plan, response steps shall be devised within eight (8) business hours of discovery of the failure and shall include a timetable for completion. Failure to take response steps in accordance with Section C - Compliance Monitoring Plan - Failure to Take Response Steps, shall be considered a violation of this permit.

(b) For single compartment baghouses, failed units and the associated process will be shut down immediately until the failed units have been repaired or replaced. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B - Emergency Provisions).

Record Keeping and Reporting Requirement [326 IAC 2-5.1-3(e)(2)] [326 IAC 2-6.1-5(a)(2)]

D.2.8 Record Keeping Requirements

(a) To document compliance with Condition D.2.5, the Permittee shall maintain records of daily visible emission notations of the Bag-01 stack exhaust, when the stack is vented to the atmosphere

(b) To document compliance with Condition D.2.6, the Permittee shall maintain the following:

(1) Weekly records of the following operational parameters during normal operation when venting to the atmosphere:

Inlet and outlet differential static pressure,

(2) Documentation of the dates vents are redirected; and/or

(3) If the vents are redirected on a routine seasonal basis, notification does not have to be provided each time the vents are redirected. An initial notification stating the routine redirection schedule will be sufficient.

(c) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

MALFUNCTION REPORT

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
FAX NUMBER - 317 233-5967

This form should only be used to report malfunctions applicable to Rule 326 IAC 1-6 and to qualify for the exemption under 326 IAC 1-6-4.

THIS FACILITY MEETS THE APPLICABILITY REQUIREMENTS BECAUSE IT HAS POTENTIAL TO EMIT 25 TONS/YEAR PARTICULATE MATTER ?_____, 25 TONS/YEAR SULFUR DIOXIDE ?_____, 25 TONS/YEAR NITROGEN OXIDES ?_____, 25 TONS/YEAR VOC ?_____, 25 TONS/YEAR HYDROGEN SULFIDE ?_____, 25 TONS/YEAR TOTAL REDUCED SULFUR ?_____, 25 TONS/YEAR REDUCED SULFUR COMPOUNDS ?_____, 25 TONS/YEAR FLUORIDES ?_____, 100 TONS/YEAR CARBON MONOXIDE ?_____, 10 TONS/YEAR ANY SINGLE HAZARDOUS AIR POLLUTANT ?_____, 25 TONS/YEAR ANY COMBINATION HAZARDOUS AIR POLLUTANT ?_____, 1 TON/YEAR LEAD OR LEAD COMPOUNDS MEASURED AS ELEMENTAL LEAD ?_____, OR IS A SOURCE LISTED UNDER 326 IAC 2-5.1-3(2) ?_____. EMISSIONS FROM MALFUNCTIONING CONTROL EQUIPMENT OR PROCESS EQUIPMENT CAUSED EMISSIONS IN EXCESS OF APPLICABLE LIMITATION _____.

THIS MALFUNCTION RESULTED IN A VIOLATION OF: 326 IAC _____ OR, PERMIT CONDITION # _____ AND/OR PERMIT LIMIT OF _____

THIS INCIDENT MEETS THE DEFINITION OF 'MALFUNCTION' AS LISTED ON REVERSE SIDE ? Y N

THIS MALFUNCTION IS OR WILL BE LONGER THAN THE ONE (1) HOUR REPORTING REQUIREMENT ? Y N

COMPANY: _____ PHONE NO. : _____
LOCATION: (CITY AND COUNTY) _____
PERMIT NO. _____ AFS PLANT ID: _____ AFS POINT ID: _____ INSP: _____
CONTROL/PROCESS DEVICE WHICH MALFUNCTIONED AND REASON: _____
_____

DATE/TIME MALFUNCTION STARTED: _____/_____/ 20____ _____ AM / PM

ESTIMATED HOURS OF OPERATION WITH MALFUNCTION CONDITION: _____

DATE/TIME CONTROL EQUIPMENT BACK-IN SERVICE_____/_____/ 20____ _____ AM / PM

TYPE OF POLLUTANTS EMITTED: TSP, PM-10, SO2, VOC, OTHER: _____

ESTIMATED AMOUNT OF POLLUTANT EMITTED DURING MALFUNCTION: _____

_____

MEASURES TAKEN TO MINIMIZE EMISSIONS: _____

_____

REASONS WHY FACILITY CANNOT BE SHUTDOWN DURING REPAIRS:

CONTINUED OPERATION REQUIRED TO PROVIDE ESSENTIAL* SERVICES: _____
CONTINUED OPERATION NECESSARY TO PREVENT INJURY TO PERSONS: _____
CONTINUED OPERATION NECESSARY TO PREVENT SEVERE DAMAGE TO EQUIPMENT: _____
INTERIM CONTROL MEASURES: (IF APPLICABLE) _____
_____
_____

MALFUNCTION REPORTED BY: _____ TITLE: _____

(SIGNATURE IF FAXED)

MALFUNCTION RECORDED BY: _____ DATE: _____ TIME: _____

*SEE PAGE 2

Please note - This form should only be used to report malfunctions applicable to Rule 326 IAC 1-6 and to qualify for the exemption under 326 IAC 1-6-4.

326 IAC 1-6-1 Applicability of rule

Sec. 1. This rule applies to the owner or operator of any facility required to obtain a permit under 326 IAC 2-5.1 or 326 IAC 2-6.1.

326 IAC 1-2-39 "Malfunction" definition

Sec. 39. Any sudden, unavoidable failure of any air pollution control equipment, process, or combustion or process equipment to operate in a normal and usual manner.

*** Essential services** are interpreted to mean those operations, such as, the providing of electricity by power plants. Continued operation solely for the economic benefit of the owner or operator shall not be sufficient reason why a facility cannot be shutdown during a control equipment shutdown.

If this item is checked on the front, please explain rationale:

_____

_____

PAGE 2 OF 2

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE DATA SECTION

MINOR SOURCE OPERATING PERMIT
ANNUAL NOTIFICATION

This form should be used to comply with the notification requirements under 326 IAC 2-6.1-5(a)(5).

Company Name:	**Nickell Enterprises**
Address:	**29183 Lexington Park Drive**
City:	**Elkhart, IN 46514**
Phone #:	**219-294-7511**
MSOP #:	**039-12736-00169**

I hereby certify that Nickell Enterprises is **9** still in operation.
9 no longer in operation.

I hereby certify that Nickell Enterprises is **9** in compliance with the requirements of MSOP **039-12736-00169**.
9 not in compliance with the requirements of MSOP **039-12736-00169**.

Authorized Individual (typed):	**David Lung**
Title:	
Signature:	
Date:	

If there are any conditions or requirements for which the source is not in compliance, provide a narrative description of how the source did or will achieve compliance and the date compliance was, or will be achieved.

Noncompliance:

Indiana Department of Environmental Management
Office of Air Quality

Addendum to the
Technical Support Document for New Construction and Operation

Source Name:	**Nickell Enterprises**
Source Location:	**29183 Lexington Park Drive, Elkhart, Indiana 46514**
County:	**Elkhart**
Construction Permit No.:	**MSOP 039-12736-00169**
SIC Code:	**2499**
Permit Reviewer:	**Paula M. Cognitore**

On December 5, 2000, the Office of Air Quality (OAQ) had a notice published in the Elkhart Truth, Elkhart, Indiana, stating that Nickell Enterprises had applied for a construction permit to construct and operate a wood products manufacturing source with baghouse for air pollution control. The notice also stated that OAQ proposed to issue a permit for this installation and provided information on how the public could review the proposed permit and other documentation. Finally, the notice informed interested parties that there was a period of thirty (30) days to provide comments on whether or not this permit should be issued as proposed.

On December 21, 2000, Kurtis H. Gilliam of ATC Associates, submitted comments on the proposed construction permit. The summary of the comments and corresponding responses are as follows: The permit language, if changed, has deleted language as ~~strikeouts~~ and new language **bolded.**

Comment 1:

Permit Section D.2.4 Testing Requirements
The Draft Permit requires emissions testing for the woodworking operation to demonstrate the potential PM_{10} emissions are less than 100 tons per year.

We believe this is an unnecessary requirement because emissions factors have been established for this operation. In Nickell's original permit the IDEM stated that 3.6% of total woodworking emissions are PM_{100}. Therefore the percent of PM_{10} in the wood dust would not be higher than 3%. Additionally the State of Oregon has established an emission factor for PM_{10} from woodworking operations at 0.4 pound per bone dry ton of sawdust produced, or 0.05% of total dust produced. It is important to note that the State of Oregon considers some type of emission control, generally a cyclone to be intrinsic to the operation. We also maintain that a woodworking operation would not operate without some type of control equipment based on the amount of dust produced. Assuming that a high efficient cyclone is 90% efficient at removing PM_{10}, then the Oregon emission factor for PM_{10} before controls is 4.0 pounds per bone dry ton of sawdust produced or 0.2%. Finally, the baghouse does not vent directly to the atmosphere; it is vented back inside the building. This further reduces the potential PM_{10} emissions by at least 50% since the building will act to control particulate emissions. Documentation concerning these emission factors is attached to this letter.

We agreed during the permitting process to accept 15% of the sawdust produced as PM_{10}. We believe, based on data we have reviewed and presented above, that this is a very conservative number and the facility's potential PM_{10} emissions are still well below 100 tons per year. Based on the information presented in this letter, we request that the requirement for source testing in the draft permit be removed.

Response 1:

IDEM, OAQ has decided that it is not necessary to require stack testing for PM_{10} and the condition has been deleted as follows and all subsequent conditions have been re-numbered:

~~D.2.4Testing Requirements [326 IAC 2-7-6(1),(6)] [326 IAC 2-1.1-11]~~
~~In order to demonstrate compliance with Condition D.2.2, which will insure that the potential PM_{10} emission rate before controls for the woodworking operation is less than 99.9 tons per year, the Permittee shall perform PM_{10} testing within 180 days after permit issuance utilizing methods as approved by the Commissioner. PM_{10} includes filterable and condensible PM_{10}. Testing shall be conducted in accordance with Section C- Performance Testing.~~

Upon further review, the OAQ has decided to make the following changes to the construction permit: The permit language is changed to read as follows (deleted language appears as ~~strikeouts~~, new language is **bolded)**:

1. In addition, Condition D.2.2 has been revised to clarify that the PM_{10} limit from the woodworking operation of less than one hundred (100) tons per year is before controls as follows:

D.2.2 Particulate Matter (PM_{10})

(a) The potential to emit PM_{10} from the woodworking operation **before controls** shall be less than **one hundred (100)** ~~99.9~~ tons per year. This will insure that the potential to emit PM_{10} from the entire source remains less than 100 tons per year.

(b) Any change or modification that increases the potential to emit PM_{10} from the woodworking operations **before controls** to **one hundred (100)** ~~99.9~~ tons per year or greater shall require prior approval from IDEM/OAM and will subject the source to the requirements of 326 IAC 2-7.

2. Condition D.2.9 (now D.2.8) has been revised to require record keeping of the compliance monitoring conditions only when the baghouse exhaust is vented to the atmosphere. In addition the requirement to document the dates that the vents are redirected has been revised to reflect the fact that if the redirection is done on a routine seasonal basis the notification does not have to be provided each time the vents are redirected. The revised condition is as follows:

D.2.9 Record Keeping Requirements

(a) To document compliance with Condition D.2.5, the Permittee shall maintain records of daily visible emission notations of the Bag-01 stack exhaust, **when the stack is vented to the atmosphere**

(b) To document compliance with Condition D.2.6, the Permittee shall maintain the following:

(1) Weekly records of the following operational parameters during normal operation when venting to the atmosphere:

Inlet and outlet differential static pressure, ~~and~~

(2) Documentation of the dates vents are redirected; **and/or**

(3) If the vents are redirected on a routine seasonal basis, notification does not have to be provided each time the vents are redirected. An initial notification stating the routine redirection schedule will be sufficient.

(c) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

3. The name of IDEM's "Office of Air Management" was changed to "Office of Air Quality" on January 1, 2001. All references to "Office of Air Management" in the permit have been changed to "Office of Air Quality" and all references to "OAM" have been changed to "OAQ."

Indiana Department of Environmental Management
Office of Air Management

Technical Support Document (TSD) for a
Minor Source Operating Permit

Source Background and Description

Source Name:	**Nickell Enterprises**
Source Location:	**29183 Lexington Park Drive, Elkhart, Indiana 46514**
County:	**Elkhart**
SIC Code:	**2499**
Operation Permit No.:	**MSOP 039-12736-00169**
Permit Reviewer:	**Paula M. Cognitore**

The Office of Air Management (OAM) has reviewed an application from Nickell Enterprises relating to the operation of wood products manufacturing source.

History

This source was issued FESOP 039-11202-00169 on January 24, 2000. This MSOP will supercede F 03911202-00169 because it has been determined that the potential PM_{10} emissions from this source are 65.9 tons per year. Since the potential PM_{10} emissions are less then 100 tons per year and no other criteria pollutants are emitted at rate of 100 tons per year, this source shall receive an MSOP.

Permitted Emission Units and Pollution Control Equipment

The source consists of the following permitted emission units and pollution control devices:

(a) One (1) panel coating line consisting of three (3) roll coaters, known as Panel Coating Line, exhausted to EU01.01 and EU01.03, installed in January 1992, capacity: 3,424 square feet per hour, each.

(b) One (1) molding line, known as Molding Line A, vented to the atmosphere, installed in January 1992, capacity: 214 square feet per hour.

(c) One (1) molding line, known as Molding Line B, vented to the atmosphere, installed in January 1992, capacity: 214 square feet per hour.

(d) One (1) molding line, known as Molding Line C, vented to the atmosphere, installed in January 1992, capacity: 1,920 square feet per hour.

(e) One (1) woodworking operation, consisting of various woodworking tools, equipped with a baghouse, known as Bag-01, installed in January 1992, capacity: 625 pounds of wood per

hour.

(f) Nine (9) natural gas-fired radiant heaters, known as H1- H9, rated at 0.125 million British thermal units per hour, each.

(g) Two (2) natural gas-fired overhead blowing heaters, known as H10 and H11, rated at 0.3 million British thermal units per hour, each.

(h) One (1) natural gas fired furnace, known as H12, rated at 0.060 million British thermal units per hour.

Unpermitted Emission Units and Pollution Control Equipment

There are no unpermitted facilities operating at this source during this review process.

New Emission Units and Pollution Control Equipment

There are no new facilities proposed at this source during this review process.

Existing Approvals

The source has been operating under previous approvals including, but not limited to, the following:

(a) F 039-11202-00169, issued January 24, 2000,

(b) CP 039-04-2755-00169, issued on July 15, 1993,

(c) R 20-11-80-0367 (old permit number), issued on December 23, 1980; and

(d) OP 20-11-80-0367, issued on December 6, 1976.

All conditions from previous approvals were incorporated into this permit except the following:

CP 039-2755-00169, issued on July 15, 1993

Condition 8: That limited VOC emissions to 8.0 tons per month (96.0 tons per year) to make the Emission Offset rules. 326 IAC 2-3 not applicable has not been carried through to this approval.

This condition had not been incorporated because the potential to emit VOC from this source is now only 7.33 tons per year and Elkhart County is currently designated as attainment for ozone.

This MSOP will supercede F 039-11202-00169 because it has been determined that the potential PM_{10} emissions from this source are 65.9 tons per year. Since the potential PM_{10} emissions are less then 100 tons per year and no other criteria pollutants are emitted at rate of 100 tons per year, this source shall receive an MSOP.

Stack Summary

Stack ID	Operation	Height (feet)	Diameter (feet)	Flow Rate (acfm)	Temperature (EF)

EV01.01	Panel Coating Line	30	1.33	500	188
EV01.03	Panel Coating Line	30	1.33	500	200

Enforcement Issue

When F 039-039-11202-00169 was issued IDEM was aware that the source was not issued a FESOP prior to the December 14, 1996 nor did they submit a Part 70 application by that date and therefore were referred to the Office of Enforcement. The source has since updated their PM_{10} emission calculations and they are no longer subject to 326 IAC 2-7 or 326 IAC 2-8 and will qualify for an MSOP.

Recommendation

The staff recommends to the Commissioner that the operation be approved. This recommendation is based on the following facts and conditions:

Unless otherwise stated, information used in this review was derived from the application and additional information submitted by the applicant.

An application for the purposes of this review was received on September 20, 2000, with additional information received on November 10, 2000.

Emission Calculations

See pages 1 of 5 of Appendix A of this document for detailed emissions calculations.

Potential To Emit

Pursuant to 326 IAC 2-1.1-1(16), Potential to Emit is defined as "the maximum capacity of a stationary source or emissions unit to emit any air pollutant under its physical and operational design. Any physical or operational limitation on the capacity of a source to emit an air pollutant, including air pollution control equipment and restrictions on hours of operation or type or amount of material combusted, stored, or processed shall be treated as part of its design if the limitation is enforceable by the U. S. EPA, the department, or the appropriate local air pollution control agency."

Pollutant	**Potential To Emit** (tons/year)
PM	439
PM_{10}	65.9
SO_2	0.005
VOC	7.33
CO	0.659
NO_X	0.784

HAPs	**Potential To Emit** (tons/year)
Glycol Ethers	3.37

HAPs	Potential To Emit (tons/year)
Benzene	0.00002
Dichlorobenzene	0.00001
Formaldehyde	0.0006
Hexane	0.014
Toluene	0.0003
Lead	0.000004
Cadmium	0.00001
Chromium	0.00001
Manganese	0.000003
Nickel	0.00002
TOTAL	3.39

The potential to emit (as defined in 326 IAC 2-1.1-1(16)) of PM_{10} is equal to or greater than 25 tons per year. Therefore, the source is subject to the provisions of 326 IAC 2-6.1.

Actual Emissions

The following table shows the actual emissions from the source. This information reflects the 1996 OAM emission data.

Pollutant	Actual Emissions (tons/year)
PM	2.33
PM_{10}	2.33
SO_2	0.00
VOC	6.18
CO	0.010
NO_X	0.050
HAP	0.00

Limited Potential to Emit

The table below summarizes the total potential to emit, reflecting all limits, of the significant emission units.

	Limited Potential to Emit (tons/year)						
Process/facility	**PM**	**PM_{10}**	**SO_2**	**VOC**	**CO**	**NO_X**	**HAPS**
Panel Coating Line & Molding Lines A-C	0.00	0.00	0.00	7.29	0.00	0.00	3.37
Woodworking	0.439 (8.24)	0.066	0.00	0.00	0.00	0.00	0.00
Combustion	0.015	0.060	0.005	0.043	0.659	0.784	0.020
Total Emissions	0.454 (8.26)	0.126	0.005	7.33	0.659	0.784	3.39

Note: PM values in parentheses reflect the allowable emissions pursuant to 36 IAC 6-3-2 in tons per year.

County Attainment Status

The source is located in Elkhart County.

Pollutant	**Status**
PM_{10}	attainment
SO_2	attainment
NO_2	attainment
Ozone	maintenance
CO	attainment
Lead	attainment

(a) Volatile organic compounds (VOC) and oxides of nitrogen (NO_X) are precursors for the formation of ozone. Therefore, VOC emissions are considered when evaluating the rule applicability relating to the ozone standards. Elkhart County has been designated as attainment or unclassifiable for ozone. Therefore, VOC and NO_X emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2 and 40 CFR 52.21.

(b) Elkhart County has been classified as attainment or unclassifiable for all criteria pollutants. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2 and 40 CFR 52.21.

(c) Fugitive Emissions
Since this type of operation is not one of the 28 listed source categories under 326 IAC 2-2, 40 CFR 52.21, or 326 IAC 2-3 and since there are no applicable New Source Performance Standards that were in effect on August 7, 1980, the fugitive particulate matter (PM) and volatile organic compound (VOC) emissions are not counted toward determination of PSD and Emission Offset applicability.

Source Status

Existing Source PSD, Part 70 or FESOP Definition (emissions after controls, based on 8,760 hours of operation per year at rated capacity and/ or as otherwise limited):

Pollutant	**Emissions** (ton/yr)
PM	0.439
PM_{10}	0.066
SO_2	0.005
VOC	7.33
CO	0.659
NO_X	0.784

(a) This existing source is **not** a major stationary source because no attainment regulated pollutant is emitted at a rate of 250 tons per year or more, and it is not in one of the 28 listed source categories.

(b) These emissions were based on the MSOP application submitted by Nickell Enterprises.

Part 70 Permit Determination

326 IAC 2-7 (Part 70 Permit Program)

This existing source is not subject to the Part 70 Permit requirements because the potential to emit (PTE) of:

(a) each criteria pollutant is less than one hundred (100) tons per year,

(b) a single hazardous air pollutant (HAP) is less than ten (10) tons per year, and

(c) any combination of HAPS is less than twenty-five (25) tons/year.

This status is based on all the air approvals issued to the source. This status has been verified by the OAM inspector assigned to the source.

Federal Rule Applicability

(a) There are no New Source Performance Standards (NSPS)(326 IAC 12 and 40 CFR Part 60) applicable to this source.

(b) The one (1) Panel Coating Line and three (3) Molding Lines are not subject to the requirements of the National Emission Standards for Hazardous Air Pollutants (NESHAPs), Subpart JJ because the source is not manufacturing wood furniture and the potential HAPS are less than the major source HAPS levels of 10 and 25 tons per year for single and combined HAPS, respectively.

(c) There are no other National Emission Standards for Hazardous Air Pollutants (NESHAPs) 40 CFR Part 63 applicable to this facility.

State Rule Applicability - Entire Source

326 IAC 2-3 (Emissions Offset)

Pursuant to CP 039-2755-00169, issued on July 15, 1993, the input of VOC delivered to the Panel Coater and Molding Lines A B and C, including cleanup solvents, shall be limited to eight (8) tons per month (96 tons per year). Compliance with this limit will render the requirements of 326 IAC 2-3 not applicable. Reporting is not required to show compliance with this VOC emission limit since the proposed potential VOC emissions from this entire source are only 7.33 tons per year. Record keeping is required to show compliance with 326 IAC 8-2-10.

326 IAC 2-6 (Emission Reporting)

This source is located in Elkhart County and the potential to emit PM_{10} is less than one hundred (100) tons per year and the potential to emit of VOC is less than ten (10) tons per year. The source is not one of the twenty-eight (28) listed sources and will not emit PM_{10} at a rate greater than one-hundred (100) tons per year including fugitive emissions, therefore, 326 IAC 2-6 does not apply.

The source will be required to annually submit a statement of the actual emissions of all federally regulated pollutants from the source, for the purpose of fee assessment

326 IAC 5-1 (Opacity)

Pursuant to 326 IAC 5-1-2 (Opacity Limitations), except as provided in 326 IAC 5-1-3 (Temporary Exemption Alternative Opacity Limitations), opacity shall meet the following, unless otherwise stated in this permit:

(a) Opacity shall not exceed an average of forty percent (40%) any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.

(b) Opacity shall not exceed sixty percent (60%) for more than a cumulative total of fifteen (15) minutes (sixty (60) readings as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute nonoverlapping integrated averages for a continuous opacity monitor) in a six (6) hour period.

326 IAC 6-4 (Fugitive Dust Emissions)

Pursuant to 326 IAC 6-4 (Fugitive Dust Emissions), visible emissions shall not cross the property line of the source at or near ground level.

State Rule Applicability - Individual Facilities

326 IAC 6-3-2 (Process Operations)

Pursuant to this rule the particulate matter (PM) emissions from the woodworking area shall be limited to 1.88 pounds per hour. This was determined from the following equation for a process rate of 0.313 tons per hour (625 pounds per hour).

Interpolation and extrapolation of the data for the process weight rate up to sixty thousand (60,000) pounds per hour shall be accomplished by use of the equation:

$E = 4.10\ P^{0.67}$ where E = rate of emission in pounds per hour and
P = process weight rate in tons per hour

The baghouse, known as Bag-01 shall be in operation at all times the woodworking operation is in operation, in order to comply with this limit.

326 IAC 8-2-10 (Flat wood panels; manufacturing operations)

Pursuant to CP 039-04-2755-00169, 326 IAC 8-2-10 is applicable to this source. The amount of VOC applied to the panels in the Panel Coating Line shall not exceed six (6) pounds per 1,000 square feet of panel, regardless of the number of coatings applied.

326 IAC 8-2-12 (Wood Furniture and Cabinet Coating)

Molding Lines A, B and C are not subject to the requirements of this rule because the potential VOC emissions from each of the three (3) lines is less than fifteen (15) pounds per day.

Testing Requirements

Testing of Bag-01 for the woodworking operations is necessary to verify that the potential to emit of PM_{10} is less than one hundred (100) tons per year.

Conclusion

The operation of this wood products manufacturing source shall be subject to the conditions of the attached proposed Minor Source Operating Permit 039-12736-00169.

Appendix A: Emission Calculations
Baghouse Operations

Company Name: Nickell Enterprises
Address City IN Zip: 29183 Lexington Park Drive, Elkhart, IN 46514
MSOP: 039-12736
Plt ID: 039-00169
Reviewer: Paula M. Cognitore
Date: September 20, 2000

Unit ID	Control Efficiency (%)	Grain Loading per Actual Cubic foot of Outlet Air (grains/cub. ft.)	Gas or Air Flow Rate (acfm.)	Emission Rate before Controls (lb/hr)	Emission Rate before Controls (tons/yr)	Emission Rate after Controls (lb/hr)	Emission Rate after Controls (tons/yr)
Bag-01	99.9%	0.000254	46000	100	439	0.100	0.439

	Emission Rate before Controls (lb/hr)	Emission Rate before Controls (tons/yr)	Emission Rate after Controls (lb/hr)	Emission Rate after Controls (tons/yr)
PM10 Emissions	15.0	65.8	0.015	0.066

Methodology

Emission Rate in lbs/hr (after controls) = (grains/cub. ft.) (sq. ft.) ((cub. ft./min.)/sq. ft.) (60 min/hr) (lb/7000 grains)

Emission Rate in tons/yr = (lbs/hr) (8760 hr/yr) (ton/2000 lb)

Emission Rate in lbs/hr (before controls) = Emission Rate (after controls): (lbs/hr)/(1-control efficiency)

Emission Rate in tons/yr = (lbs/hr) (8760 hr/yr) (ton/2000 lb)

PM10 Emissions = 15% of PM emissions based on information supplied by the source

Allowable Rate of Emissions

Process Rate (lbs/hr)	Process Weight Rate (tons/hr)	Allowable Emissions (lbs/hr)	Allowable Emissions (tons/yr)
625	0.313	1.88	8.24

Methodology

Allowable Emissions = 4.10(Process Weight Rate)^0.67

Appendix A: Emissions Calculations
VOC and Particulate
From Surface Coating Operations

Company Name: Nickell Enterprises
Address City IN Zip: 29183 Lexington Park Drive, Elkhart, IN 46514
MSOP: 039-12736
Plt ID: 039-00169
Reviewer: Paula M Cognitore
Date: September 20, 2000

Material	Density (lbs/gal)	Weight % Volatile (H20 & Organics)	Weight % Water	Weight % Organics	Volume % Water	Volume % Non-Volatiles (solids)	Gal of Mat. (gal/unit)	Maximum (units/hour)	Pounds VOC per gallon of coating less water	Pounds VOC per gallon of coating	Potential VOC (pounds per hour)	Potential VOC (pounds per day)	Potential VOC (tons per year)	Particulate Potential (tons/yr)	lbs VOC/gal solids	Transfer Efficiency
Panal Coating Line																
KK W/B Ground Coat Lacquer	11.79	46.10%	43.6%	2.5%	63.3%	34.20%	0.00084	3424.000	0.80	0.29	0.848	20.35	3.71	0.00	0.86	100%
Saco Waterborne Ink	8.98	64.80%	63.7%	1.1%	69.0%	29.90%	0.00008	3424.000	0.33	0.10	0.028	0.667	0.122	0.00	0.34	100%
Clear Gloss W/B Roolcoat Lacquer	8.71	60.00%	54.0%	6.0%	57.5%	36.50%	0.00043	3424.000	1.23	0.52	0.769	18.47	3.37	0.00	1.43	100%
Molding Line A																
Saco Waterborne Ink	8.98	64.80%	63.7%	1.1%	69.0%	29.90%	0.00008	214.000	0.33	0.10	0.002	0.042	0.008	0.00	0.34	100%
Molding Line B																
Saco Waterborne Ink	8.98	64.80%	63.7%	1.1%	69.0%	29.90%	0.00008	214.000	0.33	0.10	0.002	0.042	0.008	0.00	0.34	100%
Molding Line C																
Saco Waterborne Ink	8.98	64.80%	63.7%	1.1%	69.0%	29.90%	0.00008	1920.000	0.33	0.10	0.016	0.374	0.068	0.00	0.34	100%

State Potential Emissions **Add worst case coating to all solvents** **Uncontrolled** **1.66** **39.94** **7.29** **0.00**

METHODOLOGY

Pounds of VOC per Gallon Coating less Water = (Density (lbs/gal) * Weight % Organics) / (1-Volume % water)
Pounds of VOC per Gallon Coating = (Density (lbs/gal) * Weight % Organics)
Potential VOC Pounds per Hour = Pounds of VOC per Gallon coating (lbs/gal) * Gal of Material (gal/unit) * Maximum (units/hr)
Potential VOC Pounds per Day = Pounds of VOC per Gallon coating (lbs/gal) * Gal of Material (gal/unit) * Maximum (units/hr) * (24 hr/day)
Potential VOC Tons per Year = Pounds of VOC per Gallon coating (lbs/gal) * Gal of Material (gal/unit) * Maximum (units/hr) * (8760 hr/yr) * (1 ton/2000 lbs)
Particulate Potential Tons per Year = (units/hour) * (gal/unit) * (lbs/gal) * (1- Weight % Volatiles) * (1-Transfer efficiency) *(8760 hrs/yr) *(1 ton/2000 lbs)
Pounds VOC per Gallon of Solids = (Density (lbs/gal) * Weight % organics) / (Volume % solids)
Total = Worst Coating + Sum of all solvents used

Appendix A: Emission Calculations
HAP Emission Calculations

Company Name: Nickell Enterprises
Address City IN Zip: 19183 Lexington Park Drive, Elkhart, IN 46514
MSOP: 039-12736
Plt ID: 039-00169
Reviewer: Paula M Cognitore
Date: September 20, 2000

Material	Density (lbs/gal)	Gallons of Material (gal/unit)	Maximum (unit/hour)	Weight % Glycol Ethers	Glycol Ethers Emissions (tons/yr)
Panel Coating Line					
KK W/B Ground Coat Lacquer	11.79	0.00084	3424.000	0.00%	0.00
Saco Waterborne Ink	8.98	0.00008	3424.000	0.00%	0.00
Clear Gloss W/B Rollcoat Lacquer	8.71	0.00043	3424.000	6.00%	3.37
Molding Line A					
Saco Waterborne Ink	8.98	0.00008	214.000	0.00%	0.00
Molding Line B					
Saco Waterborne Ink	8.98	0.00008	214.000	0.00%	0.00
Molding Line C					
Saco Waterborne Ink	8.98	0.00008	1920.000	0.00%	0.00

Total State Potential Emissions **3.37**

METHODOLOGY

HAPS emission rate (tons/yr) = Density (lbs/gal) * Gal of Material (gal/unit) * Maximum (unit/hr) * Weight % HAP * 8760 hrs/yr * 1 ton/2000 lbs

Appendix A: Emissions Calculations

Natural Gas Combustion Only

MM BTU/HR <100

Small Industrial Boiler

Company Name: Nickell Enterprises
Address City IN Zip: 29183 Lexington Park Drive, Elkhart, IN 46514
Part 70: 039-12736
Plt ID: 039-00169
Reviewer: Paula M Cognitore
Date: September 20, 2000

Heat Input Capacity MMBtu/hr	Potential Throughput MMCF/yr
1.79	15.68

Nine (9) radient heaters two (2) overhead heaters and one (1) furnace.

	Pollutant					
	PM*	PM10*	SO2	NOx	VOC	CO
Emission Factor in lb/MMCF	1.9	7.6	0.6	100.0 **see below	5.5	84.0
Potential Emission in tons/yr	0.015	0.060	0.005	0.784	0.043	0.659

*PM emission factor is filterable PM only. PM10 emission factor is filterable and condensable PM10 combined.

**Emission Factors for NOx: Uncontrolled = 100, Low NOx Burner = 50, Low NOx Burners/Flue gas recirculation = 32

Methodology

All emission factors are based on normal firing.

MMBtu = 1,000,000 Btu

MMCF = 1,000,000 Cubic Feet of Gas

Potential Throughput (MMCF) = Heat Input Capacity (MMBtu/hr) x 8,760 hrs/yr x 1 MMCF/1,000 MMBtu

Emission Factors are from AP 42, Chapter 1.4, Tables 1.4-1, 1.4-2, 1.4-3, SCC #1-02-006-02, 1-01-006-02, 1-03-006-02, and 1-03-006-03 (SUPPLEMENT D 3/98)

Emission (tons/yr) = Throughput (MMCF/yr) x Emission Factor (lb/MMCF)/2,000 lb/ton

Note: Check the applicable rules and test methods for PM and PM10 when using the above emission factors to confirm that the correct factor is used (i.e., condensable included/not included).

See page 4 for HAPs emissions calculations.

Appendix A: Emissions Calculations
Natural Gas Combustion Only
MM BTU/HR <100
Small Industrial Boiler
HAPs Emissions

Company Name: **Nickell Enterprises**
Address City IN Zip: **29183 Lexington Park Drive, Elkhart, IN 46514**
Part 70: **039-12736**
Plt ID: **039-00169**
Reviewer: **Paula M Cognitore**
Date: **September 20, 2000**

HAPs - Organics

	Benzene	Dichlorobenzene	Formaldehyde	Hexane	Toluene
Emission Factor in lb/MMcf	2.1E-03	1.2E-03	7.5E-02	1.8E+00	3.4E-03
Potential Emission in tons/yr	1.646E-05	9.408E-06	5.880E-04	1.411E-02	2.666E-05

HAPs - Metals

	Lead	Cadmium	Chromium	Manganese	Nickel
Emission Factor in lb/MMcf	5.0E-04	1.1E-03	1.4E-03	3.8E-04	2.1E-03
Potential Emission in tons/yr	3.920E-06	8.624E-06	1.098E-05	2.979E-06	1.646E-05

Methodology is the same as page 1.

The five highest organic and metal HAPs emission factors are provided above.
Additional HAPs emission factors are available in AP-42, Chapter 1.4.